

WORKFORCE OBSERVATIONS FOR NORTHWEST WISCONSIN COUNTIES AUGUST 2001



State of Wisconsin
Department of Workforce Development

Note: The Workforce Observations replaces the Labor Market Review and the labor force press release sent to local media.

Unemployment Rates Decline

The unemployment rate for the northwest region of the state dropped in July to 4.7 percent. The Department of Workforce Development announced that the unemployment rate declined in July from 5.3 percent in June and is lower than the 4.9 percent unemployed of one year earlier. The State of Wisconsin unemployment rate, not seasonally adjusted, also declined in July to 4.4 percent from 4.5 percent in June, but the rate from one year ago was lower. Nine of the ten counties in Northwest Wisconsin reported a lower rate in July than in the previous month, but the rate was unchanged in Ashland County. Six northwest counties, of only thirteen in the state, showed July unemployment rates below one year ago.

The northwest counties where the July unemployment rate was lower than one year ago include: Bayfield County with a 4.0 percent rate, Douglas with 3.9 percent, Iron with 5.4 percent, Rusk with 5.6 percent, Sawyer with 3.8 percent, and Washburn with 4.8 percent unemployed in July. While the rate in Ashland County was unchanged from June at 7.4 percent unemployed, it was higher than one year ago. July unemployment rates were also higher than one year ago in Burnett with a 4.3 percent rate, Price with 6.2 percent, and Taylor with 3.9 percent unemployed.

The June-to-July decline in unemployment rates occurs every year in the northwest and in many counties of the state. However, the reduction in the number of unemployed residents was less this year than in more recent years and that resulted in a smaller drop in the regional unemployment rate.

Out of a total labor force in Northwest Wisconsin of 96,100 approximately 91,600 residents were employed in July and 4,500 were unemployed. The number of unemployed is the same as last year but the number of em-

ployed is nearly 2,800 greater. All of the region's ten counties reported more employment compared with last year. The four counties with higher unemployment rates also showed a greater number of unemployed over the year primarily from cutbacks from manufacturing employers.

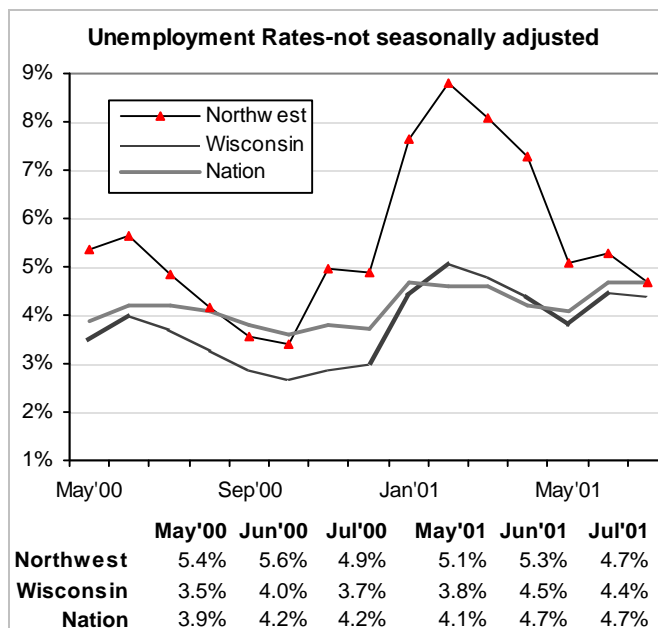
The number of manufacturing jobs in July was roughly 200 below last year, a shortage that has been decreasing in recent months. The largest deficit is still in Price County, even though there are new manufacturing jobs in the county in the last few months. WeatherShield Manufacturing opened a new facility in the county this spring and Marquip, after months of substantially reduced payroll, announced in July that it was adding jobs. The number of manufacturing jobs in Douglas County slipped primarily from the lay offs that occurred in mid-

July at ABC-NACO. Much of this reduction occurred late in the month so the total effect is not included in the current estimates.

Employment in other industry sectors remains strong. Overall there were nearly 1,400 more jobs in the region this July than there were one year ago. The greatest share of those new jobs were with services industry employers, followed by retail trade employers. Retail trade employers, especially in the tourism counties of Bayfield and Sawyer, were also responsible for many

of the new jobs added in July. But construction employment had the greatest share of new jobs during the month because employers from all ten counties continued to add workers in July.

In spite of the 350 new jobs in July, the total number of jobs in the region declined by 1,600. And, in spite of that reduction, unemployment rates declined. At first glance



this seems to be a contradiction in trends. How can unemployment rates drop if there are fewer jobs? The answer may seem even more confusing.

Most of the job loss occurred with government agencies, especially state and local education facilities. This is a seasonal trend that first appeared in June but reached a climax in July. The reduction in jobs from schools appears slowly in the employment estimates because of delayed payrolls with many school systems. In addition to the delay in reporting, many of the workers who are on summer break did not remain in the labor force. Even though their jobs appear as reductions, many of the individuals who worked those

jobs do not look for work and are no longer included in the labor force estimates.

However, the labor force estimates do not show this reduction in participants because other workers entered the workforce. Most of the new participants found jobs, primarily for the summer months. The number of summer jobs is less than the number of vacated government jobs so the total number of nonfarm jobs declined. Because there were new workers in the labor force, the number of employed in the area increased. With the increase in employment came the reduction in unemployment rates.

July Data	Wisconsin	Ashland	Bayfield	Burnett	Douglas	Iron	Price	Rusk	Sawyer	Taylor	Washburn
Civilian Labor Force*	3,128,300	8,500	7,900	7,700	23,400	3,400	7,000	7,500	10,400	11,400	8,900
Employed	2,990,500	7,900	7,500	7,400	22,500	3,200	6,500	7,100	10,000	11,000	8,500
Unemployed	137,800	600	300	300	900	200	400	400	400	400	400
Unemployment rate(%)	4.4%	7.4%	4.0%	4.3%	3.9%	5.4%	6.2%	5.6%	3.8%	3.9%	4.8%
Total jobs, all industries	2,855,610	8,850	4,300	4,930	18,320	2,420	6,270	6,030	7,200	9,280	6,650
Construction & Mining	141,190	430	290	330	1,160	400	330	290	360	520	310
Manufacturing	601,200	1,660	250	1,030	1,280	480	2,180	2,520	780	3,540	1,330
Transportation & Pbl.Util.	134,400	170	280	140	2,350	40	130	240	150	440	240
Wholesale Trade	140,390	190	60	50	1,150	80	240	120	140	460	140
Retail Trade	504,320	1,830	960	1,070	3,750	600	1,040	820	1,970	1,530	1,610
Finance,Ins,Real Estate	154,330	280	160	120	490	30	210	130	300	360	230
Services	797,130	2,420	1,000	810	5,410	420	1,200	730	1,680	1,460	1,520
Government	382,660	1,880	1,320	1,390	2,200	370	950	1,180	1,820	970	1,270
Change from previous month											
Civilian Labor Force*	13,700	100	0	100	-100	-100	0	100	0	100	-100
Employed	17,600	100	0	100	0	-100	0	100	0	200	-100
Unemployed	-3,800	0	-100	-100	-200	0	-100	-100	-100	-100	-100
Unemployment rate(%)	-0.1%	0.0%	-0.9%	-0.4%	-0.6%	-0.8%	-1.0%	-0.7%	-0.9%	-0.7%	-0.3%
Total jobs, all industries**	-26,640	-120	40	0	-1,060	-70	-60	-50	-30	-60	-210
Construction & Mining	3,890	30	10	10	50	20	40	10	0	10	10
Manufacturing	1,670	-30	0	10	20	0	-10	10	-40	20	-30
Transportation & Pbl.Util.	-3,270	0	0	0	0	0	0	0	0	-20	-30
Wholesale Trade	950	0	-10	0	10	0	0	0	10	10	0
Retail Trade	-1,380	20	50	20	0	-10	10	-10	50	-20	-10
Finance,Ins,Real Estate	1,000	0	10	0	-10	0	0	0	0	10	0
Services	760	40	70	30	-110	-10	0	-30	40	-30	40
Government	-30,260	-190	-100	-60	-1,020	-70	-100	-40	-90	-30	-190
Change from one year ago											
Civilian Labor Force*	124,400	400	300	200	200	100	100	200	300	500	600
Employed	99,000	400	300	100	400	100	0	300	300	400	600
Unemployed	25,300	0	-100	100	-200	0	0	-100	-100	100	0
Unemployment rate(%)	0.7%	0.4%	-1.2%	1.4%	-0.7%	-0.1%	0.4%	-1.4%	-0.6%	0.8%	-0.1%
Total jobs, all industries**	900	100	200	-80	880	20	-160	-30	130	0	250
Construction & Mining	90	-80	10	30	60	20	60	20	-10	-50	20
Manufacturing	-24,750	-20	20	-40	-90	10	-200	80	-50	-50	120
Transportation & Pbl.Util.	2,080	-30	0	0	220	-10	0	-10	0	10	-10
Wholesale Trade	-750	0	-10	-20	70	10	10	0	0	0	10
Retail Trade	3,440	40	30	40	30	10	20	20	20	40	20
Finance,Ins,Real Estate	3,830	10	10	10	-10	-10	10	0	10	10	0
Services	14,990	50	-40	-100	410	-20	0	-80	100	60	40
Government	1,960	110	190	0	-340	0	-60	-60	50	-30	60

* Includes participants residing in area. ** Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI

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